bp

Douglas J. Suttles
Chief Operating Officer

BP Exploration & Production Inc.
501 WestLake Park Boulevard
Houston, TX 77079
Direct 281 366 3969
Fax 281 366 7239
Doug.Suttles@bp.com

July 6, 2010

Rear Admiral James A. Watson
Federal On-Site Coordinator
United States Coast Guard

Re: Source Control Subsea Dispersant Forward Plan

Dear Admiral Watson,

This letter is in response to your request that BP Exploration & Production Inc. ("BP") provide a high-level description of its plans going forward with regard to the use of dispersants. Specifically, you asked that we describe BP's planned dispersant use after the improvements to the containment system by the implementation of the Helix producer concept.

BP is moving forward with the installation of the Free Standing Riser 1 system that BP projects will have the capacity to contain an additional 20 - 25 MMBOPD from the MC252 well (the "Well") to the Helix Producer. The current weather conditions make the timing for the start-up of the Helix Producer system uncertain. The earliest projected date for the start-up is July 7, 2010, with it being more likely that the date will be around July 10, 2010. BP anticipates it will take approximately 5 days after the start-up of the Helix Producer system for it to stabilize to the point that we will know how effective it will be at containing the flow from the Well.

As a general principle, (under all conditions the use of subsea dispersant will be held under the 15,000 gallon limit in accordance with the May 26, 2010, Dispersants Monitoring and Assessment Directive) the more effective the Helix Producer system is in containing the flow from the Well, the less subsea dispersant it will be used. If the addition of the Helix Producer system virtually eliminates the escape of oil into the sea, BP will be able to suspend the application of subsea dispersant altogether. However, under this circumstance, BP believes it is critical that we maintain the capability to apply subsea dispersant to meet unforeseen contingencies such as weather disruptions or equipment failures.

If there is still flow from the Well escaping into the sea after installation of the Helix Producer system at a significantly reduced rate, BP will continue to apply subsea dispersant at a proportionately reduced rate. The attached table updates our 6 June 2010 document entitled GoM Drilling, Completions and Interventions- MC252: Guidance on Subsea Dispersants Application OPS Note #3 based on the monitoring and performance data that has been collected. For safety reasons, in accordance with current practices, BP plans to maintain the ability to apply surface dispersant capability as required for prompt VOC control in the case of operational difficulty.

Please let me know if there is any additional information we can provide regarding BP's planned dispersant use.

Sincerely,

Douglas J. Suttles

Approval granted subject to the above:

J. A. Watson

Date: 7-11-10

Jim Watson
Rear Admiral, USCG
Federal On-Scene Coordinator

Attachment 1

- Assume flow rate of 53,000 bbls/day
- Calculate oil escaping by subtracting oil captured by containment system from 53,000 bbls/day
- Apply dispersant at dispersant to oil ratio of 1:75
- Line shows not to exceed 15,000 gallons

Estimated Volume of Oil Captured by Containment Systems (000s barrels per day)	Target EC9500A Subsea Dispersant Application Rate (gallons per minute)[1]
Total Containment	0
> 45	3
40 to 45	4
35 to 40	6
30 to 35	8
25 to 30	10

[1]Averaged over 24-hour period